



PRE-APPEAL BRIEF REQUEST FOR REVIEW

Docket Number (Optional)

05793.3037

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on _____

Signature _____

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Application Number

09/702,728

Filed

November 1, 2000

First Named Inventor

Evan L. BRYMAN

Art Unit

3628

Examiner

N.B. Nguyen

Applicant requests review of the final rejection in the above-identified application. No amendments are being filed with this request.

This request is being filed with a notice of appeal.

The review is requested for the reason(s) stated on the attached sheet(s).

Note: No more than five (5) pages may be provided.

I am the

applicant/inventor.

assignee of record of the entire interest.

See 37 CFR 3.71. Statement under 37 CFR 3.73(b) is enclosed.

Signature

Joseph E. Palys

Typed or printed name

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Registration number 46,508.

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Telephone number

attorney or agent acting under 37 CFR 1.34.

Registration number if acting under 37 CFR 1.34 _____

January 16, 2007

Date

NOTE: Signatures of all the inventors or assignees of record of the entire interest or their representative(s) are required.
 Submit multiple forms if more than one signature is required, see below*.



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**RESPONSE UNDER 37 C.F.R. § 1.116
EXPEDITED PROCEDURE REQUESTED
EXAMINING GROUP 3628
PATENT
Attorney Docket No. 05793.3037-00000**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:

Evan L. BRYMAN

Application No.: 09/702,728

Filed: November 1, 2000

For: SYSTEM AND METHOD FOR
RESTRICTING OVER LIMIT
ACCOUNTS

)
) Group Art Unit: 3628
) Examiner N. B. Nguyen
)
) Confirmation No.: 1237
) **Mail Stop AF**

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

PRE-APPEAL BRIEF REQUEST FOR REVIEW

Applicant requests a pre-appeal brief review of the Final Office Action dated October 19, 2006. This Request is being filed concurrently with a Notice of Appeal.

I. Requirements For Submitting a Pre-Appeal Brief Request for Review

Applicant has met each of the requirements for this submission and therefore request review of the Examiner's rejections in the Final Office Action for the following reasons. This application has been rejected at least twice. Applicant has concurrently filed a Notice of Appeal. And Applicant submits this Pre-Appeal Brief Request for Review setting forth legal or factual deficiencies in the rejections in five (5) pages or less. See Official Gazette Notice, July 12, 2005.

II. The Rejection of Claims 1, 8-10, 17, and 24-28 is Legally Deficient Under 35 U.S.C. § 103(a) and M.P.E.P. § 2143 and 2144.

In rejecting claim 1, the Examiner admits that Buchanan "does not disclose the potential fraud is check kiting and the potential check kiting [is] based on payments made to the account that made or would make an outstanding balance of the account to exceed a predetermined limit." (Final OA at 3.) To compensate for this shortcoming, the Examiner simply states such features are well known in the art without evidentiary support. (Id at 4.) Accordingly, the Examiner appears to improperly take Official Notice that such features are "well known in the art" and it would have been obvious to one of ordinary skill in the art "to modify Buchanan's to incorporate the features above for the purpose of reducing check kiting on a credit card account thus minimizing the risk for the credit card issuer." (Id.)

Applicant traverses the Examiner's position and the apparent taking of Official Notice that the above-noted recitations of claim 1 are well known. An Official Notice rejection is improper unless the facts asserted are well-known or common knowledge in the art, and capable of instant and unquestionable demonstration as being well-known. See M.P.E.P. § 2144.03, the procedures set forth in the Memorandum by Stephen G. Kunin, Deputy Commissioner for Patent Examination Policy dated February 21, 2002, and the precedents provided in *Dickinson v. Zurko*, 527 U.S. 150, 50 U.S.P.Q.2d 1930 (1999) and *In re Ahlert*, 424 F.2d, 1088, 1091, 165 U.S.P.Q. 418, 420 (CCPA 1970). Further, any facts asserted as well-known should serve only to "fill in the gaps" in an insubstantial manner. It is never appropriate to rely solely on "common knowledge" without evidentiary support in the record as the principal evidence upon which a rejection is based.

Applicant submits that the recitations recited in claim 1 are not unquestionably well-known, and the Examiner has failed to demonstrate the contrary. Indeed, the Examiner attempts to show the check kiting features of claim 1 are well known without demonstrating a single prior art reference related to such features. Buchanan provides no suggestion of identifying fraud at any level, much less check kiting. Accordingly, the rejection of claim 1 is legally deficient and Applicant requests that the Examiner

withdraw the rejection or cite a competent prior art reference in substantiation of the conclusions set forth in the Office Action.

Further, Applicant reminds the Examiner of the following provision set forth in M.P.E.P. § 2144.03:

[w]hen a rejection is based on facts within the personal knowledge of the examiner, the data should be stated as specifically as possible, and the facts must be supported, when called for by the applicant, by an affidavit from the examiner. Such an affidavit is subject to contradiction or explanation by the affidavits of the applicant and other persons.

To the extent the Examiner is relying on personal knowledge in taking Official Notice that the features of claim 1 are well known, the Examiner failed to provide an affidavit evidencing such knowledge as factually based and legally competent to support the Examiner's conclusions. For these additional reasons, the rejection of claim 1 is legally deficient and should be withdrawn. The same deficiencies extend to the rejection of claims 8-10, 17, and 24-28. Indeed, the Examiner admits Buchanan does not teach the recitations of claims 26-28, but asserts "[i]n the conventional credit card system, payments made by the cardholder are recorded in the database, thus it is obvious and easy to determine [the] number of good payments during a predetermined time period." (Final Office Action at 6.) Not only is this position improper in light of the above arguments concerning Official Notice, the Examiner assertion of what is well known does not address the recitations of the claims to support the rejection. This is improper.

Further, the rejection of claims 1, 8-10, 17, and 24-28 is legally deficient because the Examiner did not establish a *prima facie* case of obviousness. To establish a *prima facie* case of obviousness, the Examiner must show, among other things, the prior art reference or references, taken alone or combined, must teach or suggest each and every element recited in the claims. (See M.P.E.P. § 2143.03.) In rejecting claims 1, 8-10, 17, and 24-28 under 35 U.S.C. § 103(a), the Examiner apparently misconstrues the recitation "electronically identifying an account for potential check kiting based on payments made to the account that made or would make an outstanding balance of the

account to exceed a predetermined limit." (See Final OA at 3.) For instance, the Examiner assumes because Buchanan describes a processor 84 that rejects transactions that "would place the credit card balance over the credit limit 92," that Buchanan suggests identifying an account for potential fraud. This conjecture, however, is not supported by Buchanan. Nowhere does Buchanan disclose or suggest such features. Instead, the reference merely identifies transactions that may exceed an predefined balance. This well known process is not the same as identifying an account for potential check kiting, as recited in claim 1, for example. Therefore, it is clear that Buchanan's system merely insures credit card balance does not exceed the customer's credit limit" and does not electronically identify an account for potential check kiting, as recited in claim 1, for example. As such, the rejection to claims 1, 8-10, 17, and 24-28 is legally deficient and should be withdrawn.

III. The Examiner did not Address all of Applicant's Arguments

M.P.E.P. § 707.07(f) requires the Examiner to "take note of the applicant's argument and answer the substance of it" when Applicant traverses any rejection. The Examiner has not met this burden. the Examiner has failed to address the substance of all of Applicant's arguments presented in the Response filed June 16, 2006. Further, the Examiner has not established a *prima facie* case of obviousness by avoiding the distinguishing aspects of the cited art pointed out by Applicant. For example, the Examiner did not address Applicant's arguments associated with Buchanan's lack of teaching of the "electronically identifying" step of claim 1. See Response to OA filed June 16, 2006 at 14. Nor did the Examiner properly address Applicant's arguments related to Gopinanthan set forth in the June 16th Response. (Id. at 18.) Still further, when Applicant challenged the Examiner's attempt to take Official Notice, the Examiner merely removed one of the cited references from the basis of the rejections (i.e., Applicant's own specification) without providing additional evidence of the admitted missing features of the cited art. Instead, now the Examiner argues the recitations missing from Buchanan are simply well known. Such positions are improper and render the rejection of claims 1-28 legally deficient. Moreover, by avoiding the arguments presented by Applicant, the Examiner failed to address features recited in claims 1-28.

As a result, there is a legal basis for Applicant to contest the sufficiency of the rejection of claims 1-28 under 35 U.S.C. § 103.

The Examiner's basis for ignoring all of Applicant's arguments is alleging a new grounds of rejection has been issued. (Final OA at 2.) Yet, this position is flawed. In the June 16th Response, Applicant presented arguments demonstrating the deficiencies of certain positions taken by the Examiner in the Office Action dated January 19, 2006, such as Buchanan's lack of teaching of the "electronically identifying" step and the failure of Gopinathan to teach or suggest the recitations of claims 2-7, 11-16, and 18-23 as alleged by the Examiner. (See June 16 Response to OA at 14 and 18.) Simply removing the citation to Applicant's specification as support for the rejection of claims 1-28 does not alleviate the Examiner's burden in addressing Applicant's arguments directed to Buchanan and Gopinanthan when the Examiner relies on the same positions regarding these references to reject the same recitations of the claims.

Further, the Examiner improperly refers to Applicant's specification in support of the rejection of these claims when the basis of the rejection has been modified to remove this evidence. (See Final OA at 5-6, rejecting claims 2-7, 11-16, and 18-23 in view of Buchanan and Gopinathan, and referring the Applicant's specification in paragraph 7.) The Examiner's rejection is legally improper and should be withdrawn.

IV. Conclusion

In light of the above arguments and those presented in the Request, Applicant submit that the rejection of claims 1-28 are legally deficient and should be withdrawn and the claims allowed.

Respectfully submitted,

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By: 

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Dated: January 16, 2007